



2011 CALIFORNIA VOLUNTEER REFERENCE MANUAL – Form 540 Section

Line 7

Personal Exemption

Enter the number of personal exemptions claimed on the tax return. Filing status 1, 3, or 4 allows one personal exemption. Filing status 2 or 5 allows two personal exemption credits. TaxWise software automatically enters personal exemptions for you.

Line 8

Blind Exemption

For information about the blind exemption credit refer to the General Information section. Taxwise software requires completion of the Main Information Sheet for Blind Exemption credit flow through.

Line 9

Senior Exemption

For more information about the senior exemption refer to the General Information section. Taxwise software automatically enters the Senior Exemption based on birth date information provided on the Main Information Sheet or during the software based interview.

Line 10

Dependent Exemption

Allow an exemption credit for each dependent. For additional information regarding dependent exemptions, refer to the General Information section. Federal and state tax law conforms regarding dependent exemptions.

Line 11

Exemption Amount

Add line 7 through line 10 amounts. Transfer this amount to the Exemption Credit line in the Tax and Credits section of the form. TaxWise software completes this step automatically.

Line 12

State Wages

Add up the amounts of state wages, tips, etc. from Box 16 on each of your clients' Forms W-2 and enter the total on line 12. TaxWise software completes this step from information entered on the W-2.

Line 13

Federal Adjusted Gross Income

State tax calculations begin with the federal adjusted gross income. Enter the federal adjusted gross income from the Form 1040. Taxwise automatically enters this information.